



Guanajuato  
Silver CO  
LTD

## **CORPORATE DISCLOSURE POLICY**



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### OBJECTIVES AND SCOPE

#### Objectives

Guanajuato Silver Company Ltd, and its subsidiaries (collectively “**GSilver**” or the “**Company**”) is committed to the practice of making timely and accurate disclosure of all material information and providing fair and equal access to material information. The objectives of this Corporate Disclosure Policy (the “**Policy**”) are to:

- (a) reinforce GSilver’s commitment to compliance with the continuous disclosure obligations imposed by Canadian securities law and regulations and the rules and policies of the TSX Venture Exchange (or any other stock exchange or quotation system where the Company’s securities are listed or posted for trading from time to time) (collectively the “**Exchange**”) with an aim to ensuring that all communications to the investing public about the business and affairs of GSilver are: informative, timely, factual and accurate, and consistently and broadly disseminated in accordance with all applicable legal and regulatory requirements;
- (b) prevent the selective disclosure of material information;
- (c) ensure that documents released by the Company or public statements made by an individual with actual, implied, or apparent authority to speak on behalf of the Company do not contain misstatements;
- (d) ensure that all persons to whom this Policy applies understand their obligations to preserve the confidentiality of material information;
- (e) promote effective communication with shareholders and encourage their participation at general meetings; and
- (f) establish the responsible parties to help achieve the above objectives.

#### Scope

This Policy applies to:

- all directors, officers and employees of the Company and/or its affiliates;
- those associated with them, including their household members, trading accounts, holding companies and investment companies; and
- all authorized spokespersons of the Company.

This Policy applies to all oral and written statements, including statements made in:

- documents filed with securities regulators and stock exchanges;
- communications to shareholders;

- news releases;
- meetings with and presentations to investors, securities professionals (including analysts), institutional or other investors and the media;
- speeches, press conferences, mining conferences, webcasts and investor conferences; and
- the Company’s website, in electronic mail (e-mail) and other electronic and social media communications.

## **COMMUNICATION OF THE POLICY**

Copies of this Policy are made available to directors, officers, employees and consultants, either directly or made available on GSilver’s website. All directors, officers, employees and consultants, as applicable, will be informed whenever significant changes are made. New directors, officers, employees and consultants will be provided with a copy of this Policy.

## **DISCLOSURE COMMITTEE AND AUTHORIZED SPOKESPERSONS**

### **Disclosure Committee**

The Company has established a Disclosure Committee to oversee the implementation of this Policy and to monitor its effectiveness. The members of the Disclosure Committee are:

- Chief Executive Officer (“CEO”),
- President,
- Chief Financial Officer (“CFO”),
- Chief Operating Officer (“COO”), and
- Vice-President, Corporate Development (“VPCD”).

The Disclosure Committee must be kept informed of all significant Company developments. The Disclosure Committee decides if information is material, and when it should be disclosed.

### **Authorized Spokesperson**

It is important for the Company to monitor and control information conveyed to the public. Accordingly, the Company designates a limited number of spokespersons responsible for communication with securities professionals (including analysts), institutional or other investors and the media. The Authorized Spokespersons for the Company are the CEO, the President, the CFO, the COO and the VPCD. Individuals holding these offices may, from time to time, designate others to speak on behalf of the Company or to respond to specific inquiries or to address media or other external parties in languages other than English. Authorized Spokespersons will be expected to comply with this disclosure policy. One or more of the Authorized Spokespersons should be present during any meeting or phone call involving the Company and members of the investment community, media or any other external parties not bound by confidentiality where it would be beneficial to do so.

Directors, officers and employees who are not authorized spokespersons must not respond to inquiries from securities professionals (including analysts), institutional or other investors and the media, personally, over the telephone, by e-mail, through social media networks or otherwise. Any inquiries must be referred immediately to an Authorized Spokesperson.

## **GENERAL GUIDELINES**

### **Principles of Disclosure of Material Information**

In complying with the continuous disclosure obligations imposed by Canadian securities law and the regulations and the rules and policies of the Exchange, the Company shall be governed by the following principles in disseminating material information:

- (a) Material information shall be publicly disclosed as soon as practicable, by way of news release, the dissemination of which shall contemporaneously include filing with all applicable regulators, before any other manner of public disclosure.
- (b) In certain circumstances, the Committee may determine that such disclosure would be unduly detrimental to the Company (for example if release of the information would prejudice negotiations in a corporate transaction), in which case the information will be kept confidential until the Committee determines it is appropriate to publicly disclose.
- (c) Where a material change is being kept confidential, the Company is under a duty to make sure that persons with knowledge of the material change or information have not made use of such information in purchasing or selling the Company's securities. Such information should not be disclosed to any person or company, except in the necessary course of business, and with appropriate confidentiality agreements.
- (d) There is no distinction between favorable and unfavorable material information for disclosure purposes and both types of material must be disclosed promptly and fully in accordance with this Policy.
- (e) Disclosure must be complete and include any information which by omission would make the rest of the disclosure misleading.
- (f) Disclosure should contain enough detail to enable investors to understand the substance and importance of the matters it is disclosing.
- (g) Disclosure by way of the Company's website or by conference call alone does not constitute adequate disclosure of material information.
- (h) Disclosure must be corrected immediately if the Company subsequently learns that earlier disclosure by the Company contained a material error at the time it was given.
- (i) Everyone to whom this Policy applies, who becomes aware of information that appears to be material, shall immediately disclose that information to at least one of the members of the Disclosure Committee.

### **Definition of Material Information**

Material information is any information relating to the business and affairs of the Company that:

- results in or would reasonably be expected to result in a significant change in the market price or value of any of the Company's securities, or
- has or would reasonably be expected to have a significant influence on a reasonable investor's investment decisions.

Material information includes both material facts and material changes.

A material fact is a fact that significantly affects or would reasonably be expected to have a significant effect on the market price or value of the Company's securities.

A material change is a change in the business, operations or capital of the Company that would reasonably be expected to have a significant effect on the market price or value of any of the securities of the Company and includes a decision to implement such a change made by the Board of Directors or senior management who believe that confirmation of the decision by the Board of Directors is probable.

### **Material Change Reports**

Securities laws in Canada require the Company to file a material change report with the appropriate securities commissions as soon as possible and in any event within ten days of the date on which the material change occurred.

Where the decision has been made by the Disclosure Committee to keep a material change confidential, the Company will file a confidential material change report within ten days of the material change with the appropriate securities commissions. When the Company files a confidential material change report, it must advise the securities regulators in writing that the report should remain confidential within ten days of the filing of the initial report and every ten days thereafter until the material change is publicly disclosed.

If the making of a document or contract constitutes a material change then the Company must file a copy of the document or contract with the securities regulators not later than the time it files the material change report related thereto. If an executive officer of the Company has reasonable grounds to believe that disclosure of certain portions of the contract would be seriously prejudicial to the interests of the Company or violate confidentiality provisions, the Company may file the contract with those certain provisions omitted or marked so as to be unreadable.

### **Issuing News Releases**

The Disclosure Committee will make the determination as to whether any specific material information should be disclosed and the timing of such disclosure. Thereafter:

- (a) A news release will normally be drafted by the CEO, the President, or the CFO and distributed to the Disclosure Committee for comments.
- (b) once approved by the Disclosure Committee:
  - (i) If the material information is to be released during trading hours on a stock exchange, the appropriate personnel in the market surveillance department of the relevant stock exchanges must be contacted prior to the release of the news release. The stock exchanges will then determine whether trading in the Company's securities should be halted pending release of the material information.
  - (ii) when the market surveillance division has approved its release, in respect of news releases to be issued during regular business hours, the news release shall be forwarded to the appropriate newswire for dissemination to the public.
  - (iii) after the news release has been disseminated, the Company shall promptly file it on SEDAR and post its contents in full on the GSilver's website

- (c) Annual and interim financial results will be publicly released as soon as possible following approval of the financial statements by the Audit Committee of the Board of Directors and/or the Board itself.

### **Selective Disclosure**

The Company will not make disclosure of material information to any individuals (such as securities professionals (including analysts), institutional or other individuals and the media) if it has not been generally disclosed by way of news release. If previously undisclosed material information is inadvertently disclosed or is leaked, other than the disclosures in the necessary course of business, the material information will be generally disclosed immediately by news release.

### **Unintentional Selective Disclosure**

Disclosure of material non-public information by a person who either did not know or was reckless in not knowing, prior to making the disclosure, is unintentional selective disclosure. If unintentional selective disclosure has been made, then the Board must be immediately notified and full public disclosure of the material information must be made immediately by issuing a news release. A member of the Disclosure Committee must also notify the person to whom the unintentional selective disclosure was made that such information has not been publicly disclosed and must remain confidential and that they may not trade in securities of GSilver with knowledge of such information until it is generally disclosed.

### **Necessary Course of Business**

With the prior approval of the Disclosure Committee, confidential information may be disclosed to selected individuals if doing so is in the necessary course of business and on a strict need-to-know basis. The individual receiving the confidential information must be advised that:

- the information is confidential and may not be disclosed to anyone else, other than in the necessary course of business (and then only with appropriate Company approvals); and
- they cannot trade, or assist others to trade, in the Company's securities until the confidential information is generally disclosed.

In appropriate circumstances, an outside party receiving confidential information in the necessary course of business may be required to sign a confidentiality agreement. Disclosure to securities professionals (including analysts), institutional or other investors and the media is generally not considered to be in the necessary course of business.

### **News Conference, Conference Calls and Shareholder Meetings**

Where the Committee deems it necessary to satisfy the objectives of this disclosure policy, conference calls may be held to discuss financial results and major corporate developments.

The Company will provide advance notice, via a news release, of the conference call and webcast by announcing the date and time, subject matter of the call and providing information on how interested parties may access the call and webcast. In addition, the Company may send invitations by email to analysts, institutional investors, the media and others invited to participate.

The Company will provide only material information that has been generally disclosed and non-material information, recognizing that an analyst or investor may construct this information into a mosaic that could result in material information. The Company cannot alter the materiality of information by breaking it down into smaller, non-material components.

At the beginning of the call, a Company spokesperson will provide appropriate cautionary language with

respect to any forward-looking information and direct participants to publicly available documents containing the assumptions, sensitivities and a full discussion of the risks and uncertainties.

Disclosure at news conferences, analyst conference calls and shareholders' meeting does not satisfy the Company's obligation to generally disclose material information. The Company generally discloses material information by news release. Any disclosure of material information at news conferences, analyst conference call and shareholders' meeting must be preceded by the issuance of a news release in accordance with this Policy.

## **CONFIDENTIALITY**

### **Maintaining Confidentiality**

All material information about the Company and its affiliates that has not been generally disclosed by news release must be kept strictly confidential in accordance with this Policy. It is often difficult to tell when information is material or not, and when a pending transaction matures into material information. Accordingly, all information relating to the Company and its affiliates that has not been publicly disclosed by the Company must be treated as confidential material information.

To prevent the misuse or inadvertent disclosure of material information, the procedures set forth below should be observed at all times:

- (a) Documents and files containing confidential information, the uncontrolled dissemination of which could have a material impact on the value of the securities of the Company, should be kept in a safe place to which access is restricted to individuals who "need to know" that information in the necessary course of business and code names should be used, if necessary.
- (b) Confidential matters involving material information should not be discussed in places where the discussion may be overheard.
- (c) Confidential documents containing material information should not be read or displayed in public places and should not be discarded where others can retrieve them.
- (d) Employees must ensure they maintain the confidentiality of material information in their possession outside of the office as well as inside the office.
- (e) Transmission of documents containing material information by electronic means, such as by fax, email or directly from one computer to another, should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions.
- (f) Unnecessary copying of confidential documents should be avoided and documents containing material information should be promptly removed from conference rooms and work areas after meetings have concluded.
- (g) Access to confidential electronic data containing material information should be restricted using system passwords.

Any employee with access to confidential information is prohibited from communicating such information to anyone else unless it is necessary to do so in the course of business of the Company and proper steps have been taken to safeguard the confidentiality of the information. Every effort shall be made to limit access to such confidential information to only those who need to know the information, and such persons shall be advised that the information is to be kept confidential.

Outside parties privy to undisclosed material information concerning the Company will be told that they must not divulge this information to anyone else, other than in the necessary course of business and that they may not trade in the Company's securities until the information is publicly disclosed. Such outside parties will confirm their commitment to non-disclosure in the form of a written confidentiality agreement.

## **ANALYSTS' REPORTS AND MODELS**

### **Analyst Reports and Models**

The Company believes that it is necessary and appropriate to review and potentially comment on reports and models prepared by financial analysts. However, this activity will be confined to identifying publicly disclosed factual information that may affect an analyst's model or to pointing out inaccuracies or omissions with reference to publicly available information about the Company. To avoid any appearance of endorsing an analyst's report or model, any comments are to be provided orally and with a disclaimer stating that the report was reviewed for factual accuracy only. The Company will not express comfort with respect to analysts' reports, financial reports or earnings estimates or attempt to influence analysts' opinions or conclusions. For example, the Company cannot selectively confirm that an analyst's estimate is "on target" or that it is "too high" or "too low", whether directly or indirectly through implied "guidance".

### **Limits on Distribution**

Analyst reports are proprietary products of the analyst's firm. Accordingly, the Company should not post such information on its website. The Company may post on its website a complete list, regardless of the recommendation, of all the investment firms and analysts who are known to provide research coverage on the Company. If provided, such list will not include links to the analysts' or any other third-party websites or publications.

The Company will not distribute analysts' reports, financial models or earnings estimates internally within the Company or externally to third parties, except:

- to directors and senior officers of the Company to assist them in managing earnings expectations, understanding how the marketplace values the Company and how corporate developments affect analysis, and
- to the Company's financial and other professional advisors in the necessary course of business. See "General Guidelines: Necessary Course of Business".

## **INDUSTRY CONFERENCES AND MANAGEMENT PRESENTATIONS**

### **Management Presentations**

Presentations at conferences, meetings and similar events should be either prepared or reviewed in advance by at least two members of the Disclosure Committee.

### **Industry Conferences**

The Company may participate in various industry conferences in Canada and elsewhere. In general, conversations with interested parties should be limited to explanations or clarifications of publicly disclosed material information or other non-material information or non-confidential information. Brochures or other hand outs must be approved by a member of the Disclosure Committee prior to dissemination to the public. At least one member of the Disclosure Committee, or other designated party, should be present to monitor that material information is not disclosed.



## COMMUNICATION WITH THE MEDIA

In communicating with the media, the following procedures shall be followed:

- (a) The Company shall not provide any material undisclosed information or related documents to a reporter on an exclusive basis;
- (b) Spokespersons should promptly respond to all media inquiries. Senior management, external counsel, IR/PR consultants, or subject matter experts should be utilized in key announcements, as appropriate, to build credibility and provide more informed disclosure; and
- (c) Media news conferences on financial matters are normally conducted in separate forums from investors but access to information disclosed should be similar in all material respects. At least one member of the Disclosure Committee, or other designated person, should attend media conferences to monitor that material information has not been generally disclosed.

## DEALING WITH LEAKS, RUMOURS AND SPECULATION

The Company's policy is to not comment, affirmatively or negatively, on rumours, including those on the internet or social media. GSilver's designated Spokespersons shall respond consistently to those rumours by stating "**It is our policy not to comment on market rumours or speculation**".

However, if the Company becomes aware of a rumour or report, true or false, that contains information that is likely to have, or has had, an effect on the trading in its securities, or would be likely to have a bearing on investment decisions, or the Exchange (or any other exchange where the Company's securities are listed or other securities regulatory authority) asks the Company to make a clarifying statement in response to a rumour, at least two members of the Disclosure Committee will discuss the matter with the Exchange and, if advisable, the Company's legal counsel and jointly authorize the appropriate response.

Whenever unusual market action takes place, the Company will make inquiry to determine whether rumours or other conditions requiring corrective action exist, or if the Exchange (or any other exchange where the Company's securities are listed or other securities regulatory authority) asks the Company to make a clarifying statement in response to unusual trading activity, at least two members of the Disclosure Committee will discuss the matter with the TSX and, if advisable, the Company's legal counsel, and jointly authorize the appropriate response.

## MAINTENANCE OF DISCLOSURE RECORD

The VPCD, or other designated person, shall maintain:

- (a) a five-year record of all:
  - (i) disclosure documents prepared and filed with securities regulators;
  - (ii) copies of transcripts of presentations, conference calls and webcasts, notes from meetings with the media and analysts and analyst reports on GSilver; and
  - (iii) all information posted on the Company's website; and
- (b) copies of all minutes of the meetings and decisions of the Disclosure Committee.

## **ELECTRONIC COMMUNICATIONS**

### **General**

This Policy also applies to electronic communications. Accordingly, officers and employees responsible for written and oral public disclosures are also responsible for electronic communications.

### **Websites**

- (a) the VPCD, along with the CFO, shall monitor the Company's website, seeking to ensure that all information on the Company website is accurate, complete, up-to-date and in compliance with all relevant securities laws. All Documents filed on SEDAR should be concurrently posted to the Company's website;
- (b) The VPCD must approve all links from the Company website to a third-party website. Any link will include a notice that advises readers that they are leaving the Company's website and that the Company is not responsible for the contents of the other site;
- (c) disclosure on the Company's website alone does not constitute adequate disclosure of information that is considered material non-public information. Any disclosure of material information on the Company's website shall be preceded by the issuance of a news release disclosing such information;
- (d) if the Company is considering a distribution of its securities, the content of GSilver's website must be reviewed before and during the offering to ensure compliance with applicable securities laws;
- (e) all investor relations material shall be contained within a separate section of the Company's website and shall include a notice that advises the reader that the information posted was accurate at the time of posting but may be superseded by subsequent disclosures. All material posted to GSilver's website, including text and audiovisual material, shall indicate the date such material was issued. Any material changes to the information posted shall be updated immediately;
- (f) The Company will not post analysts' reports and newsletter recommendations on the Company's internal or external website and will not provide a link to analysts' websites or publications. The Company may choose to list on the Company's website the names and contact information of analysts who cover the Company. If the Company chooses to do so, it will list all analysts that the Company is aware of that follow the Company - whether they are recommending buying or selling the Company's securities.
- (g) no media articles pertaining to the business and affairs of the Company shall be posted on the GSilver website, unless such articles comply with the terms of this disclosure policy as authorized by two members of the Disclosure Committee; and
- (h) The VPCD shall also be responsible for responses to electronic inquiries. Only public information or information which could otherwise be disclosed in accordance with this disclosure policy shall be utilized in responding to electronic inquiries.

## **Digital Communication**

Digital media is providing newer channels for disclosure. The Company believes this kind of interaction can help build stronger, more successful business and stakeholder relationships; however, the Company's disclosure policy must also strictly apply to these digital communication channels.

The securities laws and rules of the stock exchanges applying to disclosure of information apply equally to information posted on the Company's website and distributed by other electronic means, including through social media. Any disclosure through, social media accounts, bulletin boards, internet discussion forums, chat rooms and blogs must comply with this Policy and all applicable securities laws and the rules and policies of the Exchange.

Directors, officers and employees are not permitted to represent or speak on behalf of the Company on internet discussion forums, chat rooms, blogs, bulletin boards, social media accounts or social networking services unless you are authorized to do so by the Disclosure Committee. While directors, officers and employees may repost previously released news releases on their personal social media accounts, these posts should be free from any additional commentary or discussion, including in the comments.

## **Email**

All GSilver email addresses are the Company's corporate property, and all correspondence sent or received via such email addresses, is considered corporate correspondence on behalf of the Company and is subject to the provisions of this Policy.

## **FORWARD-LOOKING INFORMATION**

### **Forward-Looking Information**

In the normal course of business, GSilver may seek to offer opinions or forecasts to outside parties regarding the Company's future prospects or financial performance. Any "forward-looking information" must be clearly identified as such and there must be a reasonable basis for such forward-looking information to be disclosed. Forward-looking statements that are overly optimistic, lack objectivity or are not adequately explained may be misleading. There must be no selective disclosure of forward-looking material information, orally or in writing. Any forward-looking information identified as material information will generally be disclosed by news release.

Furthermore, the disclosure of forward-looking information, orally or in writing, must be accompanied by:

- (a) appropriate cautionary statements identifying important factors that could cause actual results to differ materially from those identified in the information;
- (b) material factors or assumptions used to develop the forward-looking information; and
- (c) material risks and uncertainties that may cause actual results to vary materially from the results projected.

The Company will update forward-looking information as required by applicable securities law.

## **Guidance**

Any new release disclosing financial information or earning guidance which is based on or derived from financial statements of the Company that have not be publicly released must be reviewed by the Audit Committee and approved by the Board of Directors prior to release and conform to the guidelines set out in "Forward-Looking Information" above. The Board of Directors may delegate the approval function to the Audit Committee.

If the Company has issued guidance and determines that it will be reporting results materially below or above such guidance, it will make general disclosure of this information in a news release in order to enable discussion without risk of selective disclosure.

## **COMMUNICATION AND ENFORCEMENT**

### **Communication of Policy**

This Policy will be distributed to all directors, officers and employees of the Company and its affiliates, and will be posted on the Company's internal network and the Company's website. All directors, officers and employees of the Company and its affiliates, and all authorized spokespersons, will be advised of its importance. The Company will communicate any changes to this Policy.

### **Onus of Compliance**

Violations of this Policy may constitute violations of securities laws and/or result in damages and liability to the Company and those concerned personally. All directors, officers and employees of the Company and/or its affiliates, and all authorized spokespersons, are expected to be familiar with this Policy and to comply fully with it.

### **Failure to Comply**

The Company will take disciplinary action, up to and including termination, in respect of breaches of this Policy. The type of disciplinary action will be dependent on the nature of the breach and will be subject to and in accordance with applicable employment law. Any violation of this Policy may result in:

- the immediate suspension or dismissal of those individuals concerned, and
- the Company reporting those individuals concerned to securities enforcement authorities, which could lead to civil and/or criminal sanctions.

## **QUERIES**

If you have any questions about how this Policy should be followed in a particular case, please contact the Chief Executive Officer or the Chief Financial Officer of the Company.

## **APPROVAL**

Adopted by the Board on May 23, 2022